

## ***Nebraska Advantage Research and Development Act***

The Nebraska Advantage Research and Development credit is available for tax years beginning on or after January 1, 2006. A business firm which incurs research and development expenditures, as defined in section 174 of the Internal Revenue Code, may claim a credit equal to three percent of the increase in Nebraska research and development expenditures in the current year as compared to the average of the expenditures in the two years prior to first claiming the credit. The research and development credit may also be claimed for the four tax years following the first year in which the credit was claimed. No company may claim the credit for the first time in a tax year beginning on or after January 1, 2011.

The credit may be used to obtain a refund of state sales and use taxes paid, may be used against the income tax liability of the taxpayer, or may be used as a refundable credit claimed on the income tax return of the taxpayer

As of December 31, 2006, no credits had been claimed on income tax returns or as refunds of state sales and use taxes.